



June 2004

Volume 12 Issue 1

May Revenues Exceed Expectations

Preliminary figures from the State Tax Commission indicate that May revenue collections may exceed the state's projection by \$28.4 million. This brings the overall spending plan authorized by the Legislature back into balance. Through the month of April, the cumulative revenue collections were lagging the projection by \$25.7 million. The strong showing in May pulls revenue collections slightly ahead of projections for the year, with just one month left in the fiscal year. It is increasingly likely the state budget will hit the target ending balance of \$72.5 million, and may actually exceed that number. If the ending balance exceeds the target by at least \$5 million, another one-time salary increase of one percent kicks in for state employees as authorized by HCR 47. The key to the Legislature's spending plans for both FY 2004 and FY 2005 is to maximize the ending General Fund balances to help offset the fiscal impact of the sales tax sunset, which will occur at the end of FY 2005 (June 30, 2005). As a result of May collections, the state is on track to finish FY 2004 with \$72.5 million and to finish FY 2005 with \$54.5 million.

Staff Contact: Jeff Youtz

Fiscal Year 2004	
Revenues:	Sine Die Estimate
Beginning balance	\$15,745,000
Baseline revenue estimate @ 4.4%	1,814,810,900
Sales tax increase	170,460,000
Cigarette tax increase	22,150,000
Federal flexible grants	50,000,000
All other revenue adjustments	(8,862,600)
Total revenues	\$2,064,303,300
Expenditures:	
Total General Fund Appropriation (2.2% increase)	\$1,991,794,300
Estimated Ending Balance	\$72,509,000

Fiscal Year 2005	
Revenues:	Sine Die Estimate
Beginning balance	\$72,509,000
Baseline revenue estimate @ 5.4%	1,912,811,700
Sales tax increase	177,710,000
Trans. to Budget Stabilization Fund	(20,731,400)
All other revenue adjustments	(5,631,200)
Total revenues	\$2,136,668,100
Expenditures:	
Total General Fund Appropriation (4.5% increase)	\$2,082,138,300
Estimated Ending Balance	\$54,529,800

Citizens' Committee on Legislative Compensation to Meet

The Citizens' Committee on Legislative Compensation will hold a meeting on Monday, June 14, at 10:00 a.m. in the Legislative Services Office basement conference room at the Capitol in Boise. The committee, charged by the Constitution and statutes with establishing the rate of compensation for legislators for the term of office beginning December 1, 2004, welcomes comments and suggestions from the public as well as from members of the Legislature.

If you wish to submit comments to reach all members, you are welcome to send them to the Legislative Services Office for distribution to members of the committee. The address is P.O. Box 83720, Boise, ID 83720-0054, Attn: Susan Bennion. If you wish to communicate directly with the committee members, please call Susan Bennion at 334-2475 for a committee list that includes contact information.

Staff Contact: Susan Bennion

Interim Committee Activities

Expanded Natural Resources Interim Committee

During the 2004 legislative session, a number of measures were passed that resulted in the expansion of the Natural Resources Interim Committee for the specific purpose of addressing water shortages and concerns throughout the state of Idaho, particularly in the Eastern Snake Plain. The legislation was the result of an agreement, known as the Eastern Snake Plain Aquifer Mitigation, Recovery and Restoration Agreement for 2004, entered into between the state and numerous water users who agreed to forestall priority calls for delivery of water for a one-year period of time during which the parties would attempt to find some way to ease the state's severe water shortage problems. Part of that agreement gave significant responsibility to the Legislature's Natural Resources Interim Committee, necessitating that committee's expansion.

The Expanded Natural Resources Interim Committee is composed of 18 members along with 18 ad hoc members, and is co-chaired by Senator Laird Noh and Representative Dell Raybould. Committee members, appointed temporarily by the Pro Tem and the Speaker earlier in the year, were confirmed by the Legislative Council at its May 27 meeting.

In the early stages of the committee's work, five regional working groups were formed including the North Idaho Aquifer Working Group, the Treasure Valley Aquifer Working Group, the Mountain Home Aquifer Working Group, the Eastern Snake River Aquifer - Snake River (ESPA) Working Group and the Bear River Aquifer Working Group. Each working group has been assigned Idaho Department of Water Resources' and contractor support personnel to assist with technical matters to be reviewed and considered by the groups. An executive branch coordination group was also formed. Recently, the ESPA Working Group also created a Water Management Study Group and an Implementation Study Group to address specific issues of importance to the ESPA Working Group.

In general, the working groups meet on a monthly basis in their respective regional locations and then report back to the committee during the committee's monthly meetings. The working groups consist of anywhere from three legislative members in the Bear River Aquifer Working Group to 13 legislative members in the ESPA Working Group. The working groups have reported significant public interest and attendance during their respective meetings.

Information about the committee's business is available on the [Legislature's Web site](#). In addition, to help ensure that committee information is readily available to the public, the Idaho Department of Water Resources has developed a Web page, located at www.idwr.state.id.us/Committee, to specifically track the business of the committee and the working groups and study groups. Notices, agendas and minutes are posted on the sites, and the IDWR site also posts various PowerPoint presentations that are given during meetings for the public's information. IDWR also prepares and distributes press releases for the various meetings.

Beginning in April, the committee met on a monthly basis, as required by the terms of the agreement. Committee meetings are held in Boise. In April, the focus of the meeting was simply to educate the members and those in attendance about the history and status of water supply and management throughout the state. Specific information was provided for aquifers located in the various regions of the state. In addition, the

Members:

Sen. Laird Noh
Sen. Robert Geddes
Sen. Stan Williams
Sen. Don Burtenshaw
Sen. Dean Cameron
Sen. Joe Stegner
Sen. Skip Brandt
Sen. Clint Stennett
Sen. Bert Marley
Rep. Dell Raybould
Rep. Bert Stevenson
Rep. JoAn Wood
Rep. Mike Moyle
Rep. Jack Barraclough
Rep. Scott Bedke
Rep. George Eskridge
Rep. Charles Cuddy
Rep. Wendy Jaquet

Ad Hoc Members:

Sen. Gary Schroeder
Sen. John Andreason
Sen. Shawn Keough
Sen. Brad Little
Sen. Brent Hill
Sen. Tom Gannon
Sen. Dick Compton
Sen. Marti Calabretta
Rep. Doug Jones
Rep. Maxine Bell
Rep. Wayne Meyer
Rep. Tim Ridinger
Rep. Lawrence Denney
Rep. Larry Bradford
Rep. Darrell Bolz
Rep. Pete Nielsen
Rep. Eulalie Langford
Rep. George Saylor

committee was briefed relating to Idaho water law. The attorney general's office reviewed the terms of the ESPA agreement, and the co-chairs addressed plans for the initial organizational structure of the committee and its respective working groups. In May, the committee focused on the issue of recharge. The committee reviewed recharge efforts that are occurring in the state at this time or that have been studied, and heard from the various interests involved, including the Bureau of Reclamation and Idaho Power, regarding their views relating to recharge. The rehabilitation of Minidoka Dam was also addressed. Bureau of Reclamation Commissioner John Keys and Regional Director Bill McDonald addressed the committee. During the most recent meeting, held on June 3, a presentation was made to the committee by Dr. Philip Mote, a research scientist with the University of Washington's Climate Impacts Group. Additional agenda items included technical presentations relating to modeling and an overview of the North Idaho Aquifer.

The committee's next meeting is scheduled for July 7, with subsequent meetings scheduled for August 5, September 2, October 14, November 18 and, tentatively, December 17.

Staff Contact: Katharine Gerrity

Committee on Energy

The Committee on Energy met on Wednesday June 2, 2004, in Boise. Brian Whitlock, chief of staff for Governor Kempthorne, discussed the Governor's reason for vetoing HB 760 and 761 (2004). These bills would have provided an investment tax credit for investment in alternative electric energy-producing plants and a production tax credit for electric energy produced by alternative means.

The committee also heard a presentation by the proponent of HB 827 (2004). This bill would have provided for a sales tax exemption for equipment and supplies, with the exception of hand tools, to be used for an alternative method of generation of electrical energy. The committee discussed what alternative legislation path to pursue to encourage the siting of renewable electric energy plants in Idaho.

George O'Connor, on the staff of U.S. Senator Larry Craig, presented testimony via teleconference about federal energy legislation and its chances for success. The committee then heard testimony about the integrated resource planning process of Idaho Power Co., Avista and PacificCorps. The Idaho Consumer-owned Utilities Association then presented information about issues important to the cooperatives and cities generating and selling electric energy.

The committee's next meeting is planned for late August.

Staff Contact: Mike Nugent

Citizen Calls Break Information Center Record

The Legislative Information Center logged in over 24,000 telephone calls during the 2004 legislative session — more calls than ever before received and nearly 10,000 more than the preceding year. Citizen interest was particularly keen in proposed legislation dealing with such topics as smoking, contractor licensing, truancy, gay marriage and charter schools. While incoming telephone calls increased, Information Center Director Sue Burwell reports that the volume of e-mail being sent directly to legislators instead of the Information Center has increased to the extent that it is no longer possible for the Information Center to establish an accurate e-mail count.

Extensive information about the Expanded Natural Resources Interim Committee, including meeting schedules and minutes, is available on the [Legislature's Web site](#), as well as on a [site created by the Dept. of Water Resources](#).

Legislative Council Appoints Interim Committee Members

At a meeting held May 27 in Boise, the Legislative Council appointed legislators to serve on two new interim committees charged with studying the guardianship and conservatorship system and public transportation and air quality.

Guardianship and Conservatorship System

Sen. Bart Davis, Co-chair	Rep. Debbie Field, Co-chair
Sen. Patti Anne Lodge	Rep. Leon Smith
Sen. Dick Compton	Rep. Sharon Block
Sen. Bert Marley	Rep. Allen Andersen

Public Transportation and Air Quality

Sen. Curt McKenzie, Co-chair	Rep. JoAn Wood, Co-chair
Sen. Hal Bunderson	Rep. Dolores Crow
Sen. John Andreason	Rep. Ann Rydalch
Sen. Stan Williams	Rep. Gary Collins
Sen. John Goedde	Rep. Clifford Bayer
Sen. Marti Calabretta	Rep. David Langhorst
Sen. Elliot Werk	Rep. Elaine Smith

Membership of all interim committees, meeting minutes and a calendar of scheduled meetings are all available on the Legislature's Web site:

[Interim Committees](#)

[Legislative Calendar](#)

Legislative Council Queries AG

The Legislative Council voted at its meeting on May 27 to ask the Attorney General to consider whether his office's duty to uphold state laws may, in the instance of the 2002 Indian Gaming Initiative, conflict with his office's duty to uphold the provisions of the Idaho Constitution prohibiting certain forms of gambling, and to request that the Attorney General consider appointing independent, outside counsel to pursue in any appropriate forum whether any portion of that initiative violates Article III, Section 20 of the Idaho Constitution, in order to ensure that all legal issues are fairly represented.

Copies of all audit reports are available upon request to Legislative Audits by calling 334-4832.

Executive summaries of audit reports for fiscal years 2000 through 2003 are available on the Legislature's Web site:

[Executive Audit Summaries](#)

Legislative Audits Report

Legislative Audits has released 12 reports and the Single Audit Report since the first of January 2004. The reports, covering fiscal year 2003, contained a total of 16 findings and recommendations. The reports included: Correctional Industries, Idaho Food Quality Assurance Institute, Department of Environmental Quality Clean Water Revolving Fund and Drinking Water Revolving Fund, Disability Determinations Service, Department of Commerce, Idaho Transportation Department, Department of Lands, Board of Tax Appeals, and Office of the State Controller – Information Technology.

Continued on Page 7

Staff Update

The Network Administration section of the Legislative Services Office has been renamed **Information Technology**. This name change was made to reflect the expanded scope of the Legislature's technology requirements, including the in-house development of new, modernized bill drafting and legislation software (GEMS), which is scheduled for implementation in 2007. Staff of the Information Technology section are:

Glenn Harris, Supervisor
 Marshall Pinkston, Network Administrator
 Norma Clark, Sr. Application Developer
 Soren Jacobsen, IT Specialist
 Gary Hansen, IT Programmer Analyst, Sr.
 Noreen Chen, IT Programmer Analyst

The Legislative Research Librarians section of the National Conference of State Legislatures has selected Legislative Librarian **Kristin Ford** to serve on its executive committee. She will begin her four-year term this year as secretary, then will serve as chair elect, then chair and finally as past chair.

Congratulations to Staff Auditor **Dale Post**, who earlier this year passed the CPA exam.

Rachel Johnstone joined the Office of Performance Evaluations in June as a performance evaluator. She completed her undergraduate work summa cum laude at the University of Idaho (1997) and holds a master's degree in historical research from the University of Oxford (1999), where she has completed the final stages of doctoral research in the history of military science. Rachel was awarded a University of Idaho Presidential Scholar grant and has received research grants from the US-UK Fulbright Commission and the Wellcome Trust for the History of Medicine.

New to the Legislative Library

BUDGET AND FINANCE

Executive Budget. Idaho Office of the Governor, FY2005. (351.7222 I FY2005)

General Fund Revenue Book. Idaho Division of Financial Management, FY2005. (353.97960072 I FY2005)

Idaho Economic Forecast. Idaho Division of Financial Management, 2004, no. 1. (330.9 I33 2004)

Idaho Fiscal Facts. Idaho Legislative Services Office, Budget and Policy Analysis Section, 2003. (351.72253 I 2003)

Legislative Budget Book. Idaho Legislative Services Office, Budget and Policy Analysis Section, FY2005. (351.7223 I FY2005)

Legislative Budget Summary. Idaho Legislative Services Office, Budget and Policy Analysis Section, FY2005. (351.7223 I FY2005)

Performance Report. Idaho Division of Financial Management, FY2005. (350.007 I FY2005)

CHILDREN

Children, Families and Foster Care. Center for the Future of Children, the David and Lucile Packard Foundation, 2004. (362.7 C 2004)

The Prosecution of Child Sexual Abuse: Report to the Idaho Legislature. Idaho Office of the Attorney General and Idaho Office of the Governor, 2002. (364.15554 I33 2002)

DIRECTORIES

Combined Federal/State Disclosure and Election Directory. Federal Election Commission, 2004. (324.6 F43 2004)

CSG State Directory: Directory 1 — Elective Officials. Council of State Governments, 2004. (324.025 C 2003)

Directory of Idaho Government Officials. Association of Idaho Cities, 2004. (352.0072 A 2004)

Directory of Idaho State and County Elected Officials. Idaho Association of Counties, 2004. (REF 352.0073 I 2004)

Membership Directory. Idaho Mediation Association, 2004. (347.739 I33 2004)

Western State Legislative Directory: 2003/2004. Council of State Governments, 2003/2004. (328.025 C68 2003-04)

EDUCATION

Charter School Authorizing: Are States Making the Grade? Louann Bierlien Palmer, Rebecca Gau. Thomas B. Fordham Institute, 2003. (371.01 P35 2003)

The Nation's Report Card: Writing 2002. Anthony D. Lutkus et al. U.S. Department of Education, 2003. (371.271 N38 2003)

HEALTH CARE

State Health Care Expenditure Report. Milbank Memorial Fund, 2000-01. (362.1 S73 2000-01)

State Long-Term Care: Recent Developments and Policy Directions. Barbara Coleman, Wendy Fox-Grage, Donna Folkemer. National Conference of State Legislatures, 2003. (362.16 C65 2002)

IDAHO HISTORY

Acceptance of Statue of Hon. George Laird Shoup: Proceedings in Congress on the Occasion of the Reception and Acceptance of the Statue from the State of Idaho: 61st Congress, 2d session. Government Printing Office, 1910. (920 S56 1910)

Idaho: Gem of the Mountains. Merle Wells and Arthur A. Hart. Windsor Publications, 1985. (979.796 W45 1985)

Idaho's Constitution: The Tie That Binds. Dennis C. Colson. University of Idaho Press, 1991. (342.796 C65 1991)

Idaho's Governors: Historical Essays on Their Administrations. Robert C. Sims. Boise State University, 1978. (920 S56 1978)

Weldon Brinton Heyburn: Memorial Addresses Delivered in the Senate and the House of Representatives of the United States. Joint Committee on Printing, 1914. (920 H49 1914)

NATURAL RESOURCES

Comparison of Two Forest Certification Systems and Idaho Legal Requirements. Philip S. Cook and Jay O'Laughlin. University of Idaho, 2003. (333.1 I3 no. 23)

Environmental Law in a Nutshell. Roger W. Findley and Daniel Farber. West Group, 2004. (333.72 F56 2004)

Forest Health in the United States. R. Neil Sampson and Lester A. DeCoster. Allen Press, 1998. (354.3 S36 1998)

PERFORMANCE EVALUATIONS

Fiscal Accountability of Pupil Transportation. Idaho Office of Performance Evaluations, 2004. (352.439796 I 04-02)

Overview of School District Revenues and Expenditures. Idaho Office of Performance Evaluations, 2003. (352.439796 I 03-02)

STATE LEGISLATION

Children, Youth and Family Issues: State Legislative Summary. National Conference of State Legislatures, 2003. (362.7 N38 2003)

Compendium of State Privacy and Security Legislation. U.S. Bureau of Justice Statistics, 2002. (345.030263 U 2002)

Subject Compilations of State Laws: an Annotated Bibliography. Cheryl R. Nyberg. C. Boast and C. Nyberg, 2002-03. (016.34973 N 2002-03)

Suggested State Legislation. Council of State Governments, 2004. (348 C 2004)

STATE PUBLICATIONS

Idaho Blue Book. Idaho Secretary of State, 2003-04. (REF 330.0 I33 2003-04)

Official Opinions of the Attorney General. Idaho Office of the Attorney General, 2003. (340.06 I 2003)

Strategic Plan: Idaho State Legislature, Legislative Services. Legislative Services Office, FY2004. (328.361 I33 FY2004)

STATISTICS

Annual Summary of Vital Statistics. Idaho Department of Health and Welfare, 2002. (304.6021 I 2002)

Education Statistics Quarterly. National Center for Education Statistics, 2003. (371 N38 2003)

The State Economic, Demographic and Fiscal Handbook. David Baer and Lee Cohen. American Association of Retired Persons, 2003.

TAXATION

Idaho Property Tax Law Recodification Reports. Idaho Tax Foundation, Public Affairs Program, Boise State University, 1995. (336.22 I33 1995)

State Programs and Practices for Reducing Residential Property Taxes. David Baer. American Association of Retired Persons, 2003. (336.22 B34 2003)

State Tax Actions: Special Fiscal Report. Mandy Rafool. National Conference of State Legislatures, 2003. (353.93724 N38 2003)

Taxing Forest Property: Analysis of Alternative Methods and Impacts in Idaho. Philip S. Cook and Jay O'Laughlin. University of Idaho, 2001. (333.1 I3 no. 20)

Staff Contact: Kristin Ford

Proposed Agency Rules**Agriculture, Department of**

02.06.16 Crop Residue Disposal Rules (Fee Rule)

Building Safety, Division of

07.01.03 Electrical Licensing & Registration/Bldg. Safety

07.01.03 Electrical Licensing & Registration - General

07.01.06 National Electrical Code Temp. Rule

07.01.06 Use of National Electrical Code

07.03.04 Use of the Uniform Mechanical Code

07.05.01 Public Works Contractors Board/Bldg. Safety

Education, Board of

08.01.02 Idaho Rule Writing/No Child Left Behind Act/NCLB

08.02.02 Uniformity/Alternative Route/Teacher Certification

08.02.02 Thoroughness/Teacher Cert./Temporary/Repealed

08.02.03 Thoroughness/Testing of LEP Students

08.02.04 Public Charter Schools/Temp. & Proposed/Repealed

Environmental Quality, Department of

58.01.01 Control of Air Pollution (58-0101-0302)

58.01.01 Control of Air Pollution/Temp. (58-0101-0304)

- 58.01.01 Control of Air Pollution/Proposed (58-0101-0304)
- 58.01.02 Water Quality Standards/Wastewater Treatment/0303
- 58.01.02 Water Quality Standards/Wastewater Treatment/0402
- 58.01.05 Hazardous Waste Permits/Hearing & Appeals
- 58.01.07 Wastewater/Land Application Permit Rules
- 58.01.08 Public Drinking Water Systems/Oper. Licensures
- 58.01.08 Public Drinking Water Systems/Arsenic Standard
- 58.01.23 Admin. Procedure/Environmental Quality Board

Health & Welfare, Department of

- 16.02.01 Idaho Reportable Diseases
- 16.03.01 Eligibility/Medicaid/Families & Children
- 16.03.04 Rules Governing Food Stamp Program in Idaho
- 16.03.04 Food Stamp Program in Idaho
- 16.03.09 Medical Assistance Program/Non-Legend Drugs
- 16.03.09 Medical Assistance Program Regarding Drugs
- 16.03.18 CHIP B/Kid's Access Card/Premium & Co-Payment
- 16.03.18 CHIP B/Kid's Access Card/Pmt./ Covered Services
- 16.04.11 Rules Governing Developmental Disabilities
- 16.04.17 Residential Habilitation Agencies
- 16.06.01 Family & Children's Services/Eligibility
- 16.06.06 Loans/Group Homes/Recov. Alcohol/Drug Abusers
- 16.09.01 Day Care Center Health Standards

Outfitters/Guides Licensing Board

- 25.01.01 Licensing Board Rules & Qualifications

Staff Contact: Charmi Arregui

Legislative Perspective

An Internet Newsletter —

Legislative Services Office
Idaho State Legislature
State Capitol - Room 108
P.O. Box 83720
Boise, Idaho 83720-0054

Phone: 208/334-2475

Fax: 208/334-2125

URL: www.state.id.us/legislat

Legislative Audits

— Cont. from Page 4

The findings and recommendations in the various agency reports are generally related to correcting accounting errors, establishing procedures for collecting receivables, improving and documenting accounting and inventory procedures, documenting procedures for management estimates, improving accounting internal controls, improving federal reporting and subrecipient monitoring, and improving information technology security and documentation.

The 2003 Single Audit Report reviewed \$1.6 billion in expenditures of federal funds by state agencies. This report also includes findings and recommendations from individual state agency audits and any follow-up on prior findings and recommendations.

Staff Contact: Ray Ineck